Checking speculation in commodity markets

†776. SHRI SATYAVRAT CHATURVEDI:
SHRI MOTILAL VORA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that speculation in commodity market leads to inordinate increase in the price;

(b) if so, the steps taken by Government to curb speculations in commodity market; and

(c) the extent of success achieved in checking speculation in commodity market as a result of these measures?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The recognized commodity exchanges provide a platform for forward trading in commodities. Speculation is an integral part of forward trading. Prices of various commodities are largely determined on the basis of fundamental factors linked to demand and supply positions.

(b) Forward Markets Commission (FMC), which is the Regulator for commodity futures markets under the provisions of the Forward Contracts (Regulation) Act, 1952, has laid down various regulatory measures such as limit on open position, margins, price bands etc. to ensure orderly trading and to prevent excessive speculation.

(c) As a consequence of the various regulatory measures prescribed by FMC, it has been possible to check unhealthy speculation and manipulation in the commodity futures market.

Accountability for loss of cheque

†777. SHRI MOTILAL VORA:

SHRI SATYAVRAT CHATURVEDI:

Will the Minister of FINANCE be pleased to state:

(a) the official accountable for loss of cheque deposited with a bank;

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†Original notice of the question was received in Hindi.